

An Inclusive Economic
Development Strategy for the
City of Norfolk

Inclusive ECONOMIC DEVELOPMENT
PEOPLE-FOCUSED

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WHY INCLUSIVE ECONOMIC DEVELOPMENT?



VISION

Norfolk is the most connected, collaborative, creative, and competitive community in Hampton Roads. The city will be known not only as a place of great prosperity but one where prosperity is enjoyed equitably by all residents of the City.



STRATEGY

The City of Norfolk aims to build an inclusive economy that embraces equality of opportunity and participation in growth by all. The Economic Development Strategy of Norfolk is centered on facilitating economic mobility for all members of the Norfolk community. Economic development in Norfolk will be broad-based, inclusive and tailored to community needs.



MISSION

The economic development mission of the City of Norfolk commits the city to diversity, inclusion and cultural competency. We will assist individuals and businesses in generating wealth while working to remove historic and current barriers that have prevented various populations from equitable participation in past growth. We will work diligently to:

- Generate robust growth and build wealth by improving the productivity of residents and firms in a manner that broadly increases living standards within the City;
- Reduce economic disparity across the City's neighborhoods and support human capital development (training and education) to increase wealth attainment and economic justice for all residents; and
- Enhance the City's fiscal strength, building capacity to invest in human and physical capital and increasing economic resiliency.

Why Inclusive Economic Growth?

Sluggish Job Growth

The total number of jobs in Hampton Roads is about the same as in 2007 but there are 43,000 more working age people today.

Squeezed Incomes

Adjusted for inflation, 8 of 10 Norfolk households experienced flat or declining incomes from 2007-2016.

Rising Inequality

The top 5% of Norfolk households had incomes 9X the bottom 20% of households.

Economic Disparity

African Americans in Norfolk are more than twice as likely to live in poverty as White residents.

Education Disparity

African Americans in Norfolk are more than twice as likely not to have a high school diploma than White residents.

College Disparity

Whites in Norfolk are more than 2-1/2 times as likely to have a Bachelor's Degree or higher than African American residents.

Impact of Low Educational Attainment

Almost 1 in 3 adults without a high school diploma live in poverty. Norfolk residents with a Bachelor's Degree earn more than 2X someone without a high school diploma.

Family Challenges

Almost half of all Norfolk single female households with children are in poverty – regardless of race.

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Inclusive Economic Growth in Norfolk: *Equitable Economic Mobility*

Inclusive Economic Growth builds and distributes wealth equitably across the city and creates opportunities for all residents. In Norfolk, the pillars of Inclusive Economic Growth are:

- economic opportunity
- social and economic mobility

In collaboration with our community partners, the City of Norfolk will increase economic opportunities that equitably benefit all residents, with an emphasis on economic mobility for individuals who have not historically benefitted from growth in the city.



We will...

- ➔ Grow Opportunities
- ➔ Remove Barriers
- ➔ Increase Access
- ➔ Create Connections

In these areas:

- ➔ Quality Housing
- ➔ Family-supportive Income
- ➔ Quality Childcare
- ➔ Transportation and Mobility
- ➔ Education and Training
- ➔ Health & Wellness

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Continually evaluate programming policies and offerings

- ➔ Create annual work program tied to this document for detail and specifics, including time and budget estimates for suggested activities and ranking of importance
- ➔ Identify and grow opportunities for business outreach
- ➔ Create Data Sets and New Reports

Objective 1: Develop a **comprehensive “product catalog”** to work as a guide to doing business in Norfolk including:

- ➔ **Employment** incentives
- ➔ Location-based **incentives**
- ➔ Local, state and federal **assistance programs**
- ➔ **Certifications** aligned with government procurement
- ➔ Small business **technical, financial and marketing programs** available
- ➔ **Workforce services**
- ➔ **Networking opportunities**

Objective 2: Be **intentional** in use of incentives such that when used they advance Norfolk goals and **inclusive** Economic Development **strategies**, to include consideration of:

- ➔ Norfolk-based **jobs for Norfolk residents**
- ➔ City gains an equity position in projects anticipating **public capital investment**
- ➔ Alignment to **local goals** and initiatives
- ➔ Analyze ROI on **contracts**

Objective 3: **Target outreach** activities to specific geographic areas with workforce and **entrepreneurial opportunities** that incentivize engagement

Objective 4: Benchmark and **measure progress** toward achieving the goals and objectives in this strategy:

- ➔ General **Employment** Demographics
- ➔ Business **Retention** and Expansion
- ➔ Business **Attraction**
- ➔ **Business** Navigator
- ➔ **Entrepreneurial** Ecosystem
- ➔ Impact of **Incentives**



Prepare Norfolk residents to fully participate in the 21st Century economy

- ➔ Build the human capital of Norfolk's residents with increased education and training opportunities and an eye toward life-long knowledge.
- ➔ Offer career pathways accessible to individuals who haven't benefitted from past expansions.
- ➔ Match residents with stable, family-sustaining careers.

Objective 1: Increase Norfolk residents' awareness of in-demand career pathways that lead to living wage and high wage **employment opportunities**.

Objective 2: Connect Norfolk residents to occupations that match their skill levels and link residents to training in order to **increase overall earnings** and long term career options. Increase connections and information flow between the business community, training providers, and residents

- ➔ Expand **Norfolk Works** to serve more neighborhoods as the trusted broker for connections to merging employment and training opportunities by establishing satellite services in select high-unemployment neighborhoods, reaching more residents where they live.

Objective 3: Inform employers of the **potential for tax credits and grants** to hire individuals and provide training. Start with a pilot program offered to businesses in our nearby business parks, and in conjunction with hiring events and job fairs.

Objective 4: Develop a *cradle-to-career* model for Norfolk to support the development of lifelong **educational opportunities** leading to in-demand careers. Build relationships with employers, identify real-time and projected workforce needs, and connect businesses with Norfolk's education and training partners.

Objective 5: Seek to identify **service members** who are separating from the military and who may be candidates for employment with local businesses; encourage them, their spouses and dependents to remain in Norfolk after their service commitment terminates.



Goal 2

Promote entrepreneurship and self-employment

- ➔ Increase incomes and financial resilience.
- ➔ Develop social, knowledge and financial capital in vulnerable neighborhoods.
- ➔ Help overcome traditional barriers to employment and business ownership.
- ➔ Build and diversify the City's business base.

Objective 1: Serve as a clearinghouse for **Norfolk's Entrepreneurial Ecosystem** ensuring that all city-wide services for entrepreneurs are identified and strategic partnerships established to offer joint trainings and events.

- ➔ Ensure that the entrepreneurial community and all Norfolk residents know about and can **take advantage of the entrepreneurial resources**.
- ➔ Provide **one-on-one technical assistance** to members of the entrepreneurial community in Norfolk.
- ➔ Continue the **Women's Power Series**, the Women's Power Lunch and other activities targeted at SWaM businesses.
- ➔ Expand the **Biz Café** and seminar programs offered throughout Norfolk.

Objective 2: Develop and support programs that provide Norfolk resident-entrepreneurs with **access to capital**. Such assistance will focus on developing additional startups, growing existing businesses and providing residents with a means to supplement traditional wage income.

Objective 3: Create **impact for neighborhoods** by taking services and programs to communities throughout the city defined offerings, activities and schedules.

Objective 4: Provide assistance to Norfolk small businesses to increase the number and dollar value of **public and private contracts** they win.



Goal 3

Diversify and grow the City's existing business and employment base through robust business retention and expansion efforts

- ➔ Assist existing, innovative businesses with potential for significant expansion.
- ➔ Encourage companies to offer career opportunities and pathways for advancement to Norfolk residents, particularly those that have not participated in past economic growth.
- ➔ Pursue expansion of companies that improve the City's fiscal position through sustained or increased net revenue.
- ➔ Urge companies to offer living wage jobs with benefits as a way to retain and attract talent to expand their business.

Objective 1: Have meaningful interactions with at least 20% of the city's businesses annually as part of the **retention and expansion** program by developing, deepening and maintaining robust relationships.

Objective 2: Develop and maintain **robust relationships** with companies in the City's targeted business sectors. These include: Construction; Manufacturing; Maritime Trade, Transportation and Warehousing; Finance and Insurance; Professional, Scientific, and Technical Services / Information Technology; and Health Care.

Objective 3: Increase and improve business assistance programming, including finance; real estate; international and out-of-City exports; workforce development; hospitality; **innovation/technology integration** and business **technical assistance**.

Objective 4: Support a robust **business navigator** or concierge program in coordination with City Planning, Public Works, Public Utilities, and Economic Development to hand-hold business applications through City processes.



Pursue strategic business attraction within high-value, targeted business sectors

- ➔ Diversify and increase the City's net business base, building economic resiliency.
- ➔ Focus on sectors and companies offering living wage jobs with benefits.
- ➔ Create a user-friendly, online portal to guide small business owners and prospective entrepreneurs through the process of starting and expanding their business.
- ➔ Improve the City's fiscal position through increased net revenue thereby providing resources for needed human and physical capital investments.
- ➔ Work ethically with other Hampton Roads communities by not attracting their businesses.

Objective 1: Continually enhance Norfolk's image as a **creative, innovative** and **highly connected** community.

Objective 2: Expand and enhance our working relationships with the Virginia Economic Development Partnership and the Hampton Roads Economic Development Alliance to increase the number of quality **inquiries / referrals**.

Objective 3: Increase the conversion rate of prospects to actual **relocations** by using creative and persistent follow up approach.

Targeted Business Sectors

- ➔ Finance and Insurance
- ➔ Healthcare
- ➔ Information
- ➔ Life Science
- ➔ Management of Companies & Enterprises
- ➔ Manufacturing
- ➔ Professional, Scientific & Technical Services
- ➔ Transportation & Warehousing
- ➔ Wholesale Trade



Take maximum advantage of internal city capability and external partnerships to implement People-Focused ideals

- ➔ Maximize the impact of existing resources and relationships in serving People First goals.
- ➔ Build and maintain relationships internal and external to the City when initiatives are too big for any one organization to accomplish on its own.

Objective 1: Pursue a **whole of government** approach to implementation that draws on capabilities across Team Norfolk to deliver coordinated solutions and bring about positive economic outcomes for all of Norfolk's residents.

Objective 2: "Lean in" on **relationships** with outside agencies that have resources to support the **People-Focused** initiative. Many organizations receive federal, state and private dollars to fulfill a similar development mission and may even be funded based on the needs of Norfolk residents. At a minimum, ensure that funds received on behalf of Norfolk residents are spent on Norfolk residents.

Objective 3: As a City, lead by example by **maximizing opportunities** for resident hiring and increase contracts awarded to SWaM businesses.



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INITIAL ACTIONS



Open Lines of
Communication for
All Stakeholders



Community Hospitality
Partnership



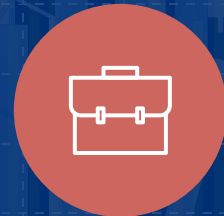
Business Navigation
Services



Joint Meetings
EDA, CPC, NRHA,
GNC, HR Chamber



Collective
Work: Planning,
Resilience, Housing,
Neighborhoods



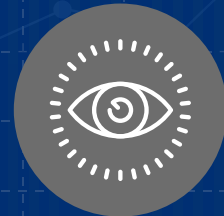
Increase Use of
Business Tools



Career and Technical
Education



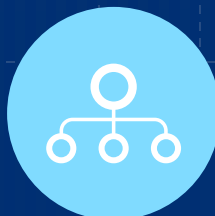
Dashboard of ED
Metrics & Data Sets



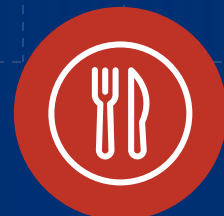
Transformative
Project Focus



Opportunity Zone
Implementation



Micro-capitol



Norfolk Works,
Women's Power
Lunch Biz Cafes



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